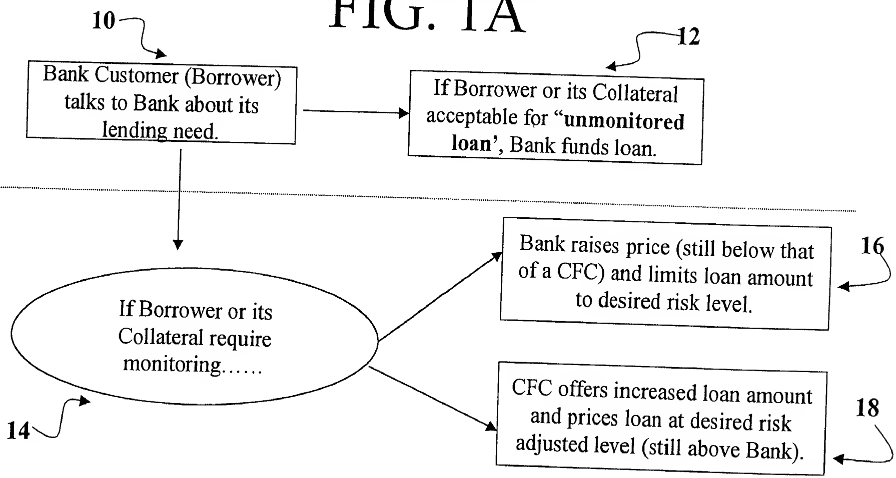
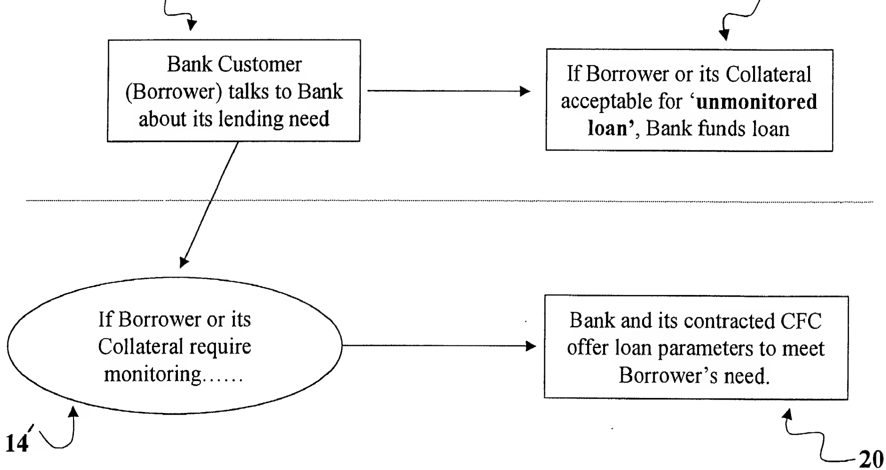
FIG. 1A



The Competition for the "monitored loan" continues until the Borrower chooses. The "unequal" competitors push their unique advantage. During good economic times when money is in abundance, one of the competitors will match the other's advantage, even to the detriment of themselves and the Borrower.

FIG. 1B



The Competition for the ”monitored loan” will now occur between ‘equal’ competitors (Banks in conjunction with their contracted CFCs). The competitive advantages will be normal, market driven determinants such as speed of delivery, overall customer service, performance or volume pricing, etc.

FIG. 2A — **LOAN MONITORING PROCESS** (one example)

BANK

22 Borrower submits collateral.

24 Bank reviews collateral.

26 Bank funds money into Borrower's checking account based on 'advance parameters'.

28 Borrower's customers pay Accounts Receivable to Bank.

30 Bank reduces 'advance' amount.

32 Borrower submits updated collateral.

34 Bank re-advances money into Borrower's checking account.

36 Cycle continues.

CFC

Borrower submits collateral. 38

CFC reviews collateral. 40

CFC funds money *from their bank account into the Borrower's checking account usually in another bank* based on 'advance parameters'. 42

Borrower's customers pay Accounts Receivable to CFC. 44

CFC reduces 'advance' amount. 46

Borrower submits updated collateral. 48

CFC re-advances money into Borrower's checking account. 50

Cycle continues. 52

FIG. 2B - NEW MONITORING PROCESS (one example)

BANK IN CONJUNCTION WITH THEIR CONTRACTED CFC

54 Borrower submits Collateral to Bank's processing center (either in hard copy or computer-to-computer via the internet or direct modem) which resides with the CFC.

56 CFC reviews Collateral.

58 CFC instructs Bank to fund money into Borrower's checking account.

60 Borrower's Customers pay Accounts Receivable to Bank.

62 CFC reduces 'advance' amount.

64 Borrower submits updated Collateral as in Step 1.

66 CFC instructs Bank to re-advance money into Borrower's account.

68 Cycle continues for the length of the relationship.